

May 15, 2021

## Dear Fellow Marylander:

Eating out at a restaurant with friends or family is something I have truly missed during this pandemic. Not having that time to enjoy the company and a great meal has been difficult for so many of us. For the restaurant industry, this time has been devastating.

Prior to the pandemic, restaurants and bars employed nearly 12 percent of all workers. According to the National Restaurant Association, as of December of last year, 110,000 eating and drinking places across the country were closed for business temporarily, or for good, and the sector finished 2020 nearly 2.5 million jobs below its pre-pandemic level.

The <u>live events industry</u>, which relies on large crowds for its livelihood, also shut down and shed jobs at an alarming rate during the pandemic. These venues, which vary from clubs and theaters to stadiums, typically support hundreds of jobs, both directly and through their relationships with other businesses, causing a deadly ripple effect.

While many of the <u>public health restrictions</u> implemented to stop the spread of the virus soon may be lifted due to the rising rate of vaccinations – more than 65 percent of Maryland adults have received at least one dose of a vaccine – the last year has decimated our nation's restaurants, bars, and live venues. These businesses are pillars in our communities – providing us a place to gather, celebrate, and share ideas.

For all you foodies and concert-goers – and especially for all the restauranteurs who are mostly small business owners – there finally is a reason to be hopeful again.

Thanks to President Joe Biden's vaccine distribution plan and the American Rescue Plan that was passed by Congress earlier this year, help has arrived for so many of these struggling small businesses. The American Rescue Plan established the \$28.6 billion Restaurant Revitalization Fund (RRF) to support small businesses in the food services industry. The plan also added \$1.25 billion to the Shuttered Venues Operators Grant (SVOG) program that Congress created in December.

Under the restaurant fund, restaurants and bars are eligible for grants equal to their pandemic-related revenue loss, with a cap of \$10 million per business and \$5 million per location. The funds are available for certain eligible uses like rent, payroll, the

construction of outdoor seating, and more.

While all eligible small businesses are welcome to apply, the American Rescue Plan is prioritizing applications from small businesses owned and controlled by women, veterans, minorities, and individuals from other socially and economically disadvantaged communities for the first 21 days of the program.

The Biden-Harris administration also has moved to ensure the equitable distribution of these restaurant relief funds by establishing \$9.5 billion in set-asides for the smallest restaurants and bars, including millions of dollars for restaurants, bars, and food trucks with less than \$50,000 in revenue.

Since opening for applications on May 3, the <u>Restaurant Revitalization Fund</u> has already received more than 186,000 applications—more than 97,000 of which came from businesses owned by women, veterans, socially and economic disadvantaged individuals, or some combination of the three. And more than 61,000 came from business with less than \$500,000 in annual pre-pandemic revenue, representing some of the smallest restaurants and bars in the country. SBA has already approved 21,000 RRF applications to provide more than \$2.7 billion in relief.

Meanwhile, the Shuttered Venues Operators Grant program began accepting applications on April 26, and already more than 10,000 eligible entities have applied for funding. The program will provide grants of up to \$10 million to eligible live venues and cultural institutions that can show that their revenues have declined at least 25 percent due to the COVID-19 pandemic.

The Biden-Harris administration has also provided support to these hard-hit industries by providing more than 337,000 forgivable loans worth \$31 billion to restaurants and bars through the Paycheck Protection Program (PPP); and the American Rescue Plan also eliminated restrictions that prevented venue operators from accessing the program.

As we look ahead to the economic recovery, I am committed to using every tool available to build federal capacity to support our nation's most vulnerable small businesses and ensure an equitable recovery.

After a long, difficult year, we are finally beginning to see the light at the end of the tunnel, but we are not there yet. Stay patient a little longer, and get vaccinated if you have not already, by visiting https://coronavirus.maryland.gov/pages/vaccine to schedule an appointment.

Stay safe and enjoy a night out once you have been fully vaccinated.

Thank you.